

November 14, 2019

The Honorable Mitch McConnell  
Majority Leader  
S-230, The Capitol  
Washington, DC 20510

The Honorable Chuck Schumer  
Minority Leader  
S-221, The Capitol  
Washington, DC 20510

The Honorable Nancy Pelosi  
Speaker  
H-232, The Capitol  
Washington, DC 20515

The Honorable Kevin McCarthy  
Minority Leader  
H-204, The Capitol  
Washington, DC 20515

Dear Leader McConnell, Leader Schumer, Speaker Pelosi and Leader McCarthy:

The undersigned organizations write to urge you to extend critical funding for the Medicaid programs in US territories including American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the US Virgin Islands by November 21. The expiration of current enhanced federal funding allotments and matching rates for the territories poses a significant threat to the health and well-being of territory residents who face coverage losses, barriers to access, and cuts to important health care benefits. If these enhanced funds are allowed to expire, territories will revert to the inadequate capped allotment that would devastate their budgets, access to health care, and, ultimately, patients' health.

Medicaid serves some of the most vulnerable populations throughout the United States and the territories. In Puerto Rico, more than 1.3 million residents have incomes below the poverty line, and almost half of Puerto Rico's residents receive health coverage through Medicaid.<sup>1</sup> These individuals rely on Medicaid to access physical and mental health care services, needs that have been exacerbated by major hurricanes in recent years.

Despite its importance, the Medicaid program in each of the territories has faced limitations and challenges. The territories have access to a limited amount of Medicaid funding that is available via a lower base matching rate than any state, and when the total federal funding for the year has been exhausted, the territory must use its own funds to pay the entire remaining cost of Medicaid health care services. Recognizing the importance of Medicaid funding for the territories, Congress made additional funds available from July 2011 through December 2019, and enabled a temporary 100% federal match from January 2018 through November 21, 2019.

Puerto Rico and the other territories are facing a dramatic cliff if increased Medicaid funding totals and federal matching rates are not extended. Without new legislation, Puerto Rico would see its FMAP revert back to the statutorily mandated 55 percent level with a federal funding allotment of \$374 million. This funding allotment is projected to leave Puerto Rico facing a huge federal funding shortfall, forcing the territory to cut benefits, reduce provider payment rates below their already inadequate

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<sup>1</sup> <https://www.census.gov/content/dam/Census/library/publications/2019/acs/acsbr18-02.pdf>

rates, and disenroll eligible beneficiaries.<sup>2</sup> Coverage losses would be massive: MACPAC estimates that between a third and half of Puerto Rico enrollees would lose coverage, and Guam and the US Virgin Islands have reported that they would have to cut enrollment by half.<sup>3,4</sup>

The territories desperately need extensions and increases in the total available funds and federal matching rates. We strongly urge you to adopt the funding levels and duration laid out in the Territories Health Care Improvement Act, HR 3631, which reflects bipartisan agreement about the importance of Medicaid in the territories and the vital need to address outdated funding mechanisms and matching rates. We acknowledge that oversight measures are appropriate to ensure funds are serving Medicaid beneficiaries as intended. However, any such measures must not pose a barrier to the territories' ability to implement the Medicaid program.

Many important health care safety net programs require your attention this fall, and we ask that you act quickly to address them. On behalf of patients and health professionals, we are committed to working with you to extend and increase federal funds for Medicaid in the US territories, ensuring access to vital health care for vulnerable residents. If you have any questions, please contact Stephanie Glier, Director of Federal Advocacy at the American Academy of Pediatrics, at [sglier@aap.org](mailto:sglier@aap.org).

Sincerely,

1,000 Days  
ADAPT Montana  
Aging Life Care Association  
American Academy of Family Physicians  
American Academy of Pediatrics  
American Cancer Society Cancer Action Network  
American Dental Education Association  
American Federation of Teachers  
American Heart Association  
American Lung Association  
American Network of Community Options & Resources (ANCOR)  
American Public Health Association  
American Thoracic Society  
Asian & Pacific Islander American Health Forum  
Association of Asian Pacific Community Health Organizations  
Association of Clinicians for the Underserved  
Association of Programs for Rural Independent Living  
Association of State and Territorial Health Officials  
Association of University Centers on Disabilities (AUCD)  
American Medical Student Association  
Autistic Self Advocacy Network  
Bill's Kitchen  
Catholic Health Association of the United States

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<sup>2</sup> <https://www.macpac.gov/wp-content/uploads/2019/05/When-will-the-territories-exhaust-federal-Medicaid-funding.pdf>

<sup>3</sup> <https://www.macpac.gov/wp-content/uploads/2019/06/Mandated-Report-Medicaid-in-Puerto-Rico.pdf>

<sup>4</sup> <https://energycommerce.house.gov/committee-activity/hearings/hearing-on-strengthening-health-care-in-the-us-territories-for-today-and>

Center for Law and Social Policy  
Center for Public Representation  
Center on Budget and Policy Priorities  
Children’s Defense Fund  
Children’s Dental Health Project  
Coai, Inc.  
Coalition on Human Needs  
Colorado Cross-Disability Coalition  
Commonwealth Healthcare Corporation Dialysis Center  
Community Catalyst  
DQIA  
Epilepsy Foundation  
Families USA  
Family Voices  
First Focus Campaign for Children  
Georgia ADAPT  
Global Justice Institute  
Health Care for America Now (HCAN)  
Healthcare Rights Coalition  
HealthConnect One  
Hemophilia Federation of America  
Hispanic Health Network  
International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW)  
Justice in Aging  
Latino Commission on AIDS  
March of Dimes  
Medicare Rights Center  
Metropolitan Community Churches  
MomsRising  
NAACP  
National Association of Community Health Centers  
NASTAD  
National Advocacy Center of the Sisters of the Good Shepherd  
National Alliance for Hispanic Health  
National Association for Children's Behavioral Health  
National Association of Councils on Developmental Disabilities  
National Association of Pediatric Nurse Practitioners  
National Association of Social Workers (NASW)  
National Association of State Long-Term Care Ombudsman Programs (NASOP)  
National Center for Transgender Equality  
National Community Action Partnership  
National Consumer Voice for Quality Long-Term Care  
National Council on Aging  
National Council on Independent Living  
National Family Planning and Reproductive Health Association  
National Health Care for the Homeless Council  
National Health Law Program

National Latina Institute for Reproductive Health  
National Multiple Sclerosis Society  
National Partnership for Women & Families  
National Patient Advocate Foundation  
National WIC Association  
Pacific Island Health Officers' Association  
Positive Women's Network-USA  
Power to Decide  
Protect All Children's Environment  
Puerto Rico Chapter of the American Academy of Pediatrics  
Puerto Rico Equality Forum  
Puerto Rico Physicians Association  
Service Employees International Union  
The Arc of the United States  
The Coelho Center for Disability Law, Policy and Innovation  
Trust for America's Health  
VOR  
YWCA USA

CC: The Honorable Chuck Grassley, Chair, Committee on Finance  
The Honorable Ron Wyden, Ranking Member, Committee on Finance  
The Honorable Frank Pallone, Chair, Committee on Energy and Commerce  
The Honorable Greg Walden, Ranking Member, Committee on Energy and Commerce